

LAUREL COUNTY WATER DISTRICT

NUMBER 2

P.S.C. Ky. No.....

Cancels P.S.C. Ky. No.....

Laurel County Water District #2

OF

Laurel County, Kentucky

Rates, Rules and Regulations for Furnishing

AT

118 Carter Drive, London, Ky. 40741

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

NOV 01 1986

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)

BY: J. D. Sensabaugh

Filed with PUBLIC SERVICE COMMISSION OF
KENTUCKY

ISSUED - October 6, 1986

EFFECTIVE November 1, 1986

ISSUED BY Laurel County Water District #2
(Name of Utility)

BY C. D. Sensabaugh,
Chairman

Form for filing Rate Schedules

For Southern Laurel County
Community, Town or City

P.S.C. NO. _____

Original SHEET NO. 1

CANCELLING P.S.C. NO. _____

SHEET NO. _____

Laurel County Water District #2
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

RATE
PER UNITSection 2 of Amended Water Rate Resolution adopted by the Commission
of Said District at a meeting held on October 15, 1986.A. Minimum Water Rates Based on Size of Connections

Size of Meter Connection	Number of Gallons of Less of Water Per Month to be Provided for the Minimum Rate	Minimum Monthly Water Rate Per Connection
5/8 x 3/4 Inch	1,000 gallons	\$ 5.50
1 Inch	5,000 gallons	14.30
1 1/2 Inch	10,000 gallons	24.05
2 Inch	20,000 gallons	41.55
3 Inch	30,000 gallons	59.05
4 Inch	50,000 gallons	94.05
6 Inch	100,000 gallons	181.55

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

NOV 01 1986

PURSUANT TO 807 KAR 5:011,
SECTION 9 (2)BY: J. DeeghaganB. Meter Rates for Water Usage in Addition to Minimum ChargeSubject to the minimum monthly water rates specified above, the
following metered charges shall be made for each 1,000 gallons of water.

Number of Gallons of Water Per Month	Monthly Charge Per 1,000 gallons Per Month
First 1,000 Gallons	\$5.50 Minimum Bill
Next 4,000 Gallons	2.20 Per 1,000 Gallons
Next 5,000 Gallons	1.95 Per 1,000 Gallons
Over 10,000 Gallons	1.75 Per 1,000 Gallons

DATE OF ISSUE October 10, 1986 DATE EFFECTIVE November 1, 1986ISSUED BY C. W. Sorenson TITLE Chairman
Name of Officer

Issued by authority of an Order of the Public Service Commission of Ky. in

P.S.C. Ky. No. _____

Cancels P.S.C. Ky. No. _____

LAUREL COUNTY WATER DISTRICT #2

OF

LONDON, KENTUCKY 40744

RATES, RULES AND REGULATIONS FOR FURNISHING

WATER

AT

3910 SOUTH LAUREL ROAD

LONDON, KENTUCKY 40744

**PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE**

JUL 09 1997

**PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)**

BY: Stephan D. Bell

SECRETARY OF THE COMMISSION

Filed with PUBLIC SERVICE COMMISSION OF KENTUCKY

ISSUED JULY 8, 1997, 1997

EFFECTIVE JULY 8, 1997

**ISSUED BY LAUREL COUNTY WATER DISTRICT
(Name of Utility)**

By C.D. SENSABAUGH, CHAIRMAN

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PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 09 1997

PURSUANT TO 807 KAR 50.11..

SECTION 9 (1)

BY: Stephan D. Bell

SECRETARY OF THE COMMISSION

Form for filing Rate Schedules

FOR Southern Laurel County & West Knox County
Community, Town or CityLaurel Co. Water District #2
Name of Issuing CorporationP.S.C. NO. _____
5th revision SHEET NO. 1
CANCELING P.S.C. NO. _____
SHEET NO. _____

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE
PER UNIT

These Rules and Regulations govern the furnishing of water service by Laurel Co. Water District #2 hereinafter referred to as the Water District and apply to all service received from the Water District. No employee or individual Commissioner of the Water District is permitted to make an exception to these Rates, Rules, or Regulations. These Rules and Regulations are to be in effect so long as they are not in conflict with the Kentucky Public Service Commission Rules and Regulations (807 KAR 5:001-5:076). The Water District is subject to all Rules and Regulations of the Kentucky Public Service Commission even though not contained herein.

1. Scope

This schedule of Rules and Regulations is a part of all contracts for receiving water service from the Water District, and applies to all service received from the Water District whether the service is based upon contract, agreement, signed application, or otherwise. A copy of this schedule, together with a copy of the Water District's Schedule of Rates and Charges shall be kept open to inspection at the office of the Water District. The rules are promulgated under direction and authority granted pursuant to Chapter 5 of Kentucky Administrative Regulations (807 KAR 5). The aforesaid rules and regulations are hereby adopted and included the same as if herein written.

2. Revisions

These Rules and Regulations may be revised, amended, supplemented, or otherwise changed from time to time by either of the two (2) following methods:

- A. By order of the Kentucky Public Service Commission upon formal application by the Water District, and after hearing as provided by Commission Regulations set forth in 807 KAR 5:011.
- B. By issuing and filing on at least twenty (20) days notice to the Kentucky Public Service Commission and the public all proposed changes in the Rules and Regulations, as provided by Commission Regulations set forth in 807 KAR 5:011.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

DATE OF ISSUE

ISSUED BY C.D. Sensabaugh
Name of Officer

DATE EFFECTIVE

TITLE Chairman
P.S.C. NO. TO 807 KAR 5:011.
SECTION 9 (1)Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____BY: Stephanie Blue
Dated 11-11-97
SECRETARY OF THE COMMISSION

Form for filing Rate Schedules

FOR Southern Laurel County & West Knox County
Community, Town or City

P.S.C. NO. _____

5th revision SHEET NO. 2

CANCELING P.S.C. NO. _____

SHEET NO. _____

Laurel Co. Water District #2
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE
PER UNIT

3. Conflict

In case of conflict between any provisions of any rate schedule and the schedule of rules and regulations, the rate schedule shall apply. Also, should the rules contained herein conflict with rules in effect under 807 KAR 5, the provision of 807 KAR 5 shall take precedence over those contained herein.

4. Application for Service

Any person, firm, agency, or governmental entity within the current boundary of the Water District may request service. Applications for service must be in writing on a form approved by the Water District.

Each applicant for service shall be required to execute and sign the Water District's standard application for water service before service is supplied by the Water District, a 5/8" x 3/4" meter shall be the standard customer service. Each applicant for service shall provide the Water District with all required permits or exemption to same.

5. Non-Standard Service

Each prospective customer requiring a non-standard service (i.e., other than a 5/8" x 3/4" meter) shall present to the Water District sufficient justification for same. Insofar as prospective customer requirement may meet those non-standard service presently in effect by the Water District same be applied.

6. Point of Delivery

The point of delivery is the point where the meter or vault is located on the customer's premises. All water lines, plumbing, and equipment beyond the meter shall be installed and maintained by the customer. The Water District reserves the right to determine the location of point of delivery with full regard to those wishes of the prospective customer.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 09 1997

DATE OF ISSUE

ISSUED BY C. D. Sensabaugh
Name of Officer

DATE EFFECTIVE

TITLE Chairman PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)BY: Stephan D. Bell
SECRETARY OF THE COMMISSIONIssued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____Dated 11 - 11 - 97

Form for filing Rate Schedules

FOR Southern Laurel County & West Knox County
Community, Town or City

P.S.C. NO. _____

5th revision SHEET NO. 3

CANCELING P.S.C. NO. _____

SHEET NO. _____

Laurel Co. Water District #2
Name of Issuing Corporation

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE

PER UNIT

7. Customer's Service Line

An approved valve and valve box shall be installed immediately following the meter box. All service lines beyond the metering point shall be installed of materials consisting of copper, PVC or PE pipe with a rating of not less than 160 psi. The size of the service line beyond the point of delivery shall not be less than 3/4". The customer's line beyond the metering point must be inspected and approved by the Water District before it is covered or a meter will not be set.

8. Ownership of Mains, Services, & Appurtenances

All mains, fire hydrants, valves, crossings and other appurtenances are and shall remain the property of the Water District, whether installed by the Water District or the customer.

All service lines from main to meter with appurtenances shall be and remain the property of the Water District, whether installed by the Water District or the customer.

The customer shall install, own, and maintain their service line from the meter and/or point of delivery as defined herein.

9. Discontinuance of Service by the Water District

Water service may be discontinued by the Water District with proper notification for any violation of any rule, regulation, or condition, and especially for any of the following reasons:

- A. Misrepresentation in the application or contract as to the property or fixtures to be supplied or additional use to be made of water.
- B. Resale of water.
- C. Waste or misuse of water due to improper or imperfect service pipes and/or failure to keep such pipes in a suitable state of repair.
- D. Tampering with meter, meter seal, service, or valves, or permitting such tampering by others.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 09 1997

DATE OF ISSUE _____

ISSUED BY C. D. Lemmengaugh

Name of Officer

DATE EFFECTIVE QUANT TO 807 KAR 5.011.

TITLE _____

Chairman

BY: Stephan B. Bell

SECRETARY OF THE COMMISSION

Issued by authority of an Order of the Public Service Commission of Kentucky in

P.S.C. NO. _____

5th revision SHEET NO. 4

CANCELING P.S.C. NO. _____

SHEET NO. _____

Laurel Co. Water District #2
Name of Issuing CorporationCLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE
PER UNIT

- E. Connection, cross-connection, or permitting the same, of any separate water supply to premises which receive water from the Water District.
- F. Non-payment of bills.
- G. When a dangerous condition is found to exist on the customer's or applicant's premises, with reference to the continuation of water service, water service shall be cut off without notice or shall be refused, provided the Water District shall notify the customer or applicant immediately of the reasons for the discontinuance or refusal and the corrective action to be taken by the applicant or customer before service can be restored.

10. Billing

Bills and notices relating to the conduct of the business or the Water District and will be mailed to the customer at the address listed on the "User's Agreement" unless a change of address has been filed in writing with the Water District; and the Water District shall not otherwise be responsible for delivery of any bill or notice nor will the customer be excused from the payment of any bill or any performance required in said notice.

Bills for water service are due and payable at the office of the Water District on the date of issue. The past due date shall be the fifteenth (15th) day of the month. Bills will be dated and mailed on or about the first (1st) day of each month.

A bill not paid on or before the fifteenth (15th) or the past due date will be assessed a 10% late charge. When a bill has been issued for a period of twenty days and payment has not been received it shall be deemed delinquent. The Water District shall serve the delinquent customer a written final notice of said delinquency, and of the intent of the Water District to discontinue service 5 days after the date of such notice unless such bill is paid prior to the expiration of stated 5 days. If a delinquent bill is not paid within 5 days after date of such final notice (22 days from the date of issue), the water supply to the customer may be discontinued without further notice; provided, prior to discontinuance of service there is delivered to Water District or its employee empowered to discontinue service, a written notice of discontinuance of service.

DATE OF ISSUE _____

ISSUED BY C. O. Sensesbaugh
Name of OfficerDATE EFFECTIVE JUL 09 1997TITLE Chairman
PURSUANT TO 807 KAR 5011,
SECTION 9 (1)

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. _____

Dated 11-11-97 Sharon Bell
SECRETARY OF THE COMMISSION

Laurel Co. Water District #2
Name of Issuing CorporationP.S.C. NO. _____
5th revision SHEET NO. 5
CANCELING P.S.C. NO. _____
SHEET NO. _____

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE
PER UNIT

certificate signed by a physician, a registered nurse, or a public health officer that, in the opinion of the certified party, discontinuance of service will aggravate an existing illness or infirmity of the affected premises, service shall not be discontinued until the affected resident can make other living arrangements or until thirty (30) days elapse from the time of the Water District's receipt of said certification, whichever occurs first.

11. Discontinuance of Service by Customer

Any customer having fulfilled their contract terms and desiring to discontinue the water service to his premises for any reason must give notice of discontinuance in writing, by telephone, or in person at the business office of the Water District at least three (3) days prior to the date on which the customer desires to discontinue service. If such notice is not given, a customer shall remain liable for all water used and service rendered to his premises by the Water District until said notice is received by the Water District.

12. Reconnection Fee

When the water supply to the customer has been discontinued for non-payment of delinquent bills, a charge of \$20.00 will be made until all delinquent bills and other charges, if any, owed by the customer to the Water District have been paid.

13. Deposits

The Water District may require a minimum cash deposit of \$30.00 (Residential) and \$60.00 (Commercial) or other guaranty to secure payment of bills or service may be refused or discontinued for failure to pay the requested deposit. Interest, as prescribed by KRS 74.050, will be paid annually either by refund or credit to the customer's bill, except that no refund or credit will be made if the customer's bill is delinquent on the anniversary date of the deposit.

The deposit may be waived upon a customer's showing of satisfactory credit or payment history, and required deposits will be returned after one (1) year if the customer has established a satisfactory payment

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

DATE OF ISSUE

ISSUED BY C. J. Sensabaugh
Name of OfficerIssued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____

DATE EFFECTIVE

TITLE Chairman

PUB. SERV. COM. 807 KAR 5.011

SECTION 9 (1)

Dated

BY: Stephen D. Bell
11-16-99
SECRETARY OF THE COMMISSION

Form for filing Rate Schedules

FOR Southern Laurel County & West Knox County
Community, Town or City

P.S.C. NO. _____

5th revision SHEET NO. 6

CANCELING P.S.C. NO. _____

SHEET NO. _____

Laurel Co. Water District #2

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

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PER UNIT

record for that period. If a deposit has been waived or returned and the customer fails to maintain a satisfactory payment record, a deposit may then be required. The Water District may require a deposit in addition to the initial deposit if the customer's classification of service changes or if there is a substantial change in usage. Upon termination of service, the deposit, any principal amounts, and any interest earned and owing will be credited to the final bill with any remainder refunded to the customer.

In determining whether a deposit will be required or waived, the following criteria will be considered:

1. Previous payment history with the Water District. If the customer has no previous history with the Water District, statements from other utilities, banks, etc. may be presented by the customer as evidence of good credit.
2. Whether the customer has an established income or line of credit.
3. Length of time the customer has resided or been located in the area.
4. Whether the customer owns property in the area.
5. Whether the customer has filed bankruptcy proceedings within the last seven years.
6. Whether another customer with a good payment history is willing to sign as a guarantor for an amount equal to the required deposit.

If a deposit is held longer than 18 months, the deposit will be recalculated at the customer's request based on the customer's actual usage.

If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, the Water District may collect any underpayment and shall refund any overpayment by check or credit to the customer's bill. No refund will be made if the customer's bill is delinquent at the time of the recalculation.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

DATE OF ISSUE

ISSUED BY

C.D. Sensabaugh
Name of Officer

DATE EFFECTIVE

TITLE

Chairman

PURSUANT TO 007 KAR 5.011

SECTION 9 (1)

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. _____

Dated

17BY: Stephen D. Bell
SECRETARY OF THE COMMISSION

Laurel Co. Water District #2
Name of Issuing CorporationP.S.C. NO. _____
5th revision SHEET NO. 7
CANCELING P.S.C. NO. _____
SHEET NO. _____

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE
PER UNIT14. Adjustment Relative to Erroneous Meter

If test results on a customer's meter show an average error greater than two percent (2%) fast or slow, or if a customer has been incorrectly billed for any other reason, except in an instance where the Water District has filed a verified complaint with the appropriate law enforcement agency alleging fraud or theft by a customer, the Water District will immediately determine the period during which the error has existed, and will re-compute and adjust the customer's bill to either provide a refund to the customer or collect an additional amount of revenue from the under billed customer. The Water District will re-adjust the account based upon the period during which the error is known to have existed. If the period during which the error existed cannot be determined with reasonable precision, the time period will be estimated using such data as elapsed time since the last meter test, if applicable, and historical usage data for the customer. If that data is not available, the average usage of similar customer loads will be used for comparison purposes in calculating the time period. If the customer and the Water District are unable to agree on an estimate of the time period during which the error existed, the Public Service Commission shall determine the issue. In all instances of customer over billing, the customer's account will be credited or the over billed amount refunded at the discretion of the customer within thirty (30) days after final meter test results. The Water District will not require customer repayment of any under billing to be made over a period shorter than a period coextensive with the under billing.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 09 1997

PURSUANT TO 807 KAR 5011,
SECTION 9 (1)

DATE OF ISSUE

ISSUED BY C. J. Sensesbaugh
Name of OfficerDATE EFFECTIVE _____
BY Stephen O. Bell
TITLE Chairman
SECRETARY OF THE COMMISSIONIssued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____Dated 11-11-97

P.S.C. NO. _____

5th revision SHEET NO. 8

CANCELING P.S.C. NO. _____

SHEET NO. _____

Laurel Co. Water District #2

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE

PER UNIT

15. Meters

On all new connections, a separate meter must be installed for each residence, apartment, unit, mobile home, business, and each family unit residing in a duplex or other multi-unit premise.

For existing customers, where two or more residences, apartment units, mobile homes, businesses, or family units residing in a duplex or other multi-unit premise are served by a single water meter, the customer or customers has two options. One is to install a meter for each residence, apartments, unit, mobile home, business, or family unit residing in a duplex or other multi-unit premises or have the water bill computed as the customer whose name the meter is in is billed for the actual water registered by the meter and a minimum bill for each qualified premises.

The metered customers can have the minimum bill charges designated to different individuals with the understanding that the metered customer is liable for all delinquent bills and charges. The Water District reserves the right to require an existing customer to install meters for all qualified residences should the alternative option prove to be an unsatisfactory or hazardous condition.

All meters will be located on district mains and in absence of special per mission on the property to be served. All meters shall be installed, renewed, and maintained at the expense of the Water District, and the Water District reserves the right to approve the size and type of meter used. It shall be the policy of the Water District to test each water meter pursuant to Public Service Commission Regulation 807 KAR 5:066 Section 16. In addition, upon written request of any customer, the meter servicing such customer shall be tested by the Water District, pursuant to Public Service Commission Regulation 807 KAR 5:006, Section 20.

16. Failure of Water Meter

Where a meter is found to be in error, the customer's bill will be adjusted in accordance with Section 14 herein per Kentucky Public Service Commission Regulation 807 KAR 5:006, Section 9. Where a meter has ceased to register the Water District will estimate the monthly bill of the customer for the month that the meter is replaced. The estimated bill will be based upon the previous six month's usage.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 09 1997

DATE OF ISSUE

ISSUED BY C.D. Sensenbarger
Name of Officer

DATE EFFECTIVE

TITLE Chairman
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. _____

Dated

BY: Stephan D. Bell
11-10-97
SECRETARY OF THE COMMISSION

Form for filing Rate Schedules

FOR Southern Laurel County & West Knox County
Community, Town or City

Laurel Co. Water District #2
Name of Issuing Corporation

P.S.C. NO. _____
5th revision SHEET NO. 2
CANCELING P.S.C. NO. _____
SHEET NO. _____

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE
PER UNIT

17. Right of Access

The customer must agree to permit the Water District to lay, maintain, repair, or remove its water lines that are located on the customer's property with the right of ingress-and-egress over customer's property. The Water District's duly authorized representative and/or other duly authorized employee of the State Health Department bearing proper credentials and identification shall be permitted to enter upon all properties for the purpose of inspection, observation, measurement, sampling and testing, in accordance with the provisions of these Rules and Regulations.

18. Interruption of Service

The Water District will use reasonable diligence in supplying water service, but shall not be liable for loss, injury, or damage to persons or property resulting from interruptions in service, excessive or inadequate water pressure. The Water District does hereby explicitly state that its allowance of connections to its system for fire protection whether by design or implication is only for such benefit as a customer may be able to derive from such connection.

The Water District is not designed nor intended for use for fire protection in any manner whatsoever. Any customer using same for fire protection does so at their own full and sole responsibility.

The Water District shall in no event be held responsible for any claims made against it by reason of breaking of any mains or service pipes or by reason of any other interruption of the supply of water caused by the failure of machinery or stoppage for necessary repairs. No person shall be entitled to damages nor for any portion of a payment refunded for any interruption of service which in the opinion of the Water District may be deemed necessary.

The Water District shall make all reasonable efforts to eliminate interruption of service and when such interruption occurs will endeavor to restore service with the shortest possible delay. When the service is interrupted all customers affected by such interruption will be notified in advance whenever it is possible to do so.

DATE OF ISSUE

ISSUED BY C. D. Sensabaugh
Name of Officer

DATE EFFECTIVE

TITLE Chairman
PUBLIC SERVICE COMMISSION
OF KENTUCKY
SECTION 9 (1)

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____

BY: Stephen D. Bell
Dated 11-11-97
SECRETARY OF THE COMMISSION

Form for filing Rate Schedules

FOR Southern Laurel County & West Knox County
Community, Town or City

P.S.C. NO. _____

5th revision SHEET NO. 10

CANCELING P.S.C. NO. _____

SHEET NO. _____

Laurel Co. Water District #2

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE

PER UNIT

19. Boilers and / or Pressure Vessels

Customers having boilers and/or pressure vessels receiving a supply of water from the Water District must have an approved backflow prevention assembly on the water supply line and a vacuum valve on the stream line to prevent collapse in case the water supply from the Water District is discontinued or interrupted for any reason, with or without notice. It is the responsibility of the customer to make provisions for protection of his equipment in case of interrupted or intermittent service.

20. Backflow Prevention

Commercial services, fire connections and any service rated by the Water District to be hazardous shall have an approved backflow prevention assembly. The approval will be from U.S.C., ASSE and the Water District. The cost of the assembly and its installation will be to the customer or applicant for service. The location and installation of the backflow prevention assembly shall be approved by the Water District and its operation shall be verified before service will be provided. the backflow prevention assembly shall be tested by a certified tester at least annually at the customers expense and the results duly recorded with the Water District or the service will be discontinued without notice due to the hazardous condition.

21. Cross-Connections

Kentucky Department of Health, Kentucky Public Service Commission and these Rules and Regulation do hereby explicitly state that cross-connection of the Water Districts system with any other source is hereby prohibited.

22. Relocation of Water Facility

The Water District may, at the request of a customer or other person relocated, change, or modify existing Water District owned equipment, mains or appurtenances. Also if by customer or other persons actions the Water District must for operational or safety reasons relocate, change or modify existing Water District owned equipment, mains or appurtenances, the Water District shall be reimbursed for such ~~changes at actual cost~~ ^{including appropriate legal, administrative, engineering and overhead cost} by the person or persons initiating or requesting the change.

JUL 09 1997

DATE OF ISSUE

ISSUED BY

Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. _____

DATE EFFECTIVE

TITLE

PURSUANT TO 807 KAR 50.11,

SECTION 9(1)

BY: Stephan D. Bell

SECRETARY OF THE COMMISSION

Dated

11-11-99

Form for filing Rate Schedules

FOR Southern Laurel County & West Knox County
Community, Town or City

P.S.C. NO. _____

5th revision SHEET NO. 11

CANCELING P.S.C. NO. _____

SHEET NO. _____

Laurel Co. Water District #2

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE

PER UNIT

23. Damage to Water District Water System

No person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface or tamper with any structure appurtenances, or equipment which is part of the Water District's water works. Any person violating this provision shall be subject to immediate arrest and/or discontinuance of water service and shall pay the cost of repairing or replacing the pipe or appurtenance.

Any person, firm or organization involved in work around or near the Water District's distribution mains or appurtenances may request the Water District to indicate location of same. However, indication by the Water District of same does not relieve such person of complete responsibility and liability for any and all damages, liability and loss resulting from any act of such person or his assigns and/or agent.

24. Additional Load

The service connection supplied by the Water District for each customer has a definite capacity, and no addition to the equipment or load connected thereto will be allowed except by consent of the Water District. Failure to give notice of additions or changes in load, and to obtain the Water District's consent for same shall render the customer liable for any damage to any of the Water District's lines or equipment caused by the additional or changed installation.

25. Notice of Trouble

The customer shall notify the Water District immediately should the service be unsatisfactory for any reason, or should there be any defects, trouble or accidents affecting the supply of water.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

DATE OF ISSUE

ISSUED BY C. D. Sansabrough

Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. _____

DATE EFFECTIVE

TITLE Chairman

SECTION 9 (1)

BY: Stephan D. Bell

Dated

11-11-97

Form for filing Rate Schedules

FOR Southern Laurel County & West Knox County
Community, Town or City

P.S.C. NO. _____

5th revision SHEET NO. 12

CANCELING P.S.C. NO. _____

SHEET NO. _____

Laurel Co. Water District #2

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE

PER UNIT

C. Surplus funds: by the following criteria:

The Laurel County Water District #2 will provide water line extension projects similar to those offered by the Farmers Home Administration, if certain criteria is met. Each proposed extension will be considered on a case by case basis. The following guidelines will be used in determining if a project is financially feasible. All applicants will be treated in a non-discriminatory manner.

1. Rural Development financing has been considered.
2. The funds are available in reserve funds, capital expenditures, or alternative financing is feasible.
3. The proposed customers must be on an average of at least 10 per mile.
4. The project is a community development, not a private development.
5. The existing water source or supply is documented as unfit for human consumption or uneconomical to treat.
6. Contracts for service for at least one year have been signed by the proposed customer.
7. Ninety percent of the proposed connections must be to existing residences, only ten percent of the total connections may be allocated to lots that will contain a residence in the near future.

Extender applicant is hereby notified that regardless of which type extension all other rules, rates and schedules of fee applicable to size and type requested shall be paid in addition to the cost of the extension.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 09 1997

DATE OF ISSUE

ISSUED BY C.D. Densabough
Name of Officer

DATE EFFECTIVE

TITLE Chairman
PURSUANT TO 807 KAR 5.011
SECTION 9 (1)Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____BY: Stephan D. Bell
Dated 11-11-97
SECRETARY OF THE COMMISSION

Form for filing Rate Schedules

FOR Southern Laurel County & West Knox County
Community, Town or City

Laurel Co. Water District #2
Name of Issuing Corporation

P.S.C. NO. _____
5th revision SHEET NO. 13
CANCELING P.S.C. NO. _____
SHEET NO. _____

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE
PER UNIT

Refund Plan

The Water District will refund to the customer or customers who paid for the excessive footage to service existing residential or commercial customers, or a proposed a singular residential structure, under the following plan:

For a period of not less than (10) years the Water District will refund the cost of (50) fifty feet of the extension in place for each additional customer connected during the year whose service line is directly connected to the extension installed and not to extensions or laterals therefrom. Total amount refunded shall not exceed the amount paid to the utility. No refund shall be made after the refund period ends.

The Water District will not pay refunds any greater than the amount per foot that the Water District can install the extension.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 09 1997

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephan D. Bee
SECRETARY OF THE COMMISSION

DATE OF ISSUE

ISSUED BY C. J. Sensabaugh
Name of Officer

DATE EFFECTIVE

TITLE Chairman

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____

Dated 11-11-97

Form for filing Rate Schedules

FOR Southern Laurel County & West Knox County
Community, Town or City

Laurel Co. Water District #2
Name of Issuing Corporation

P.S.C. NO. _____
5th revision SHEET NO. 14
CANCELING P.S.C. NO. _____
SHEET NO. _____

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE
PER UNIT

26. Water Main Extensions

Any person desiring an extension to the Water Districts system shall request in writing stating the reason for the extension and who or what is to be served. Any extension may be provided under one of the follow:

- A. Any person or persons desiring to extend the Water District's system to serve existing residential or commercial structures or a proposed singular residential structure will be constructed under Public Service Commission Regulation 807 KAR 5:066, Section 11. See Refund Plan.
- B. Any applicant desiring an extension to a proposed real estate subdivision or development will be allowed fifty (50) feet of the extension installed for each service connection at the time of construction approvals. Each service connection shall have a name and address consistent with the development address and shall be required to pay at least a minimum bill for a years time to be considered a valid service connection.

All line size increases to accommodate fire hydrants will be at the expense of the developer, and will not be considered in the allowance for each service connection.

A service connection to an empty lot is not considered a valid service connection because it is in conflict with the purpose and intent of the Water District. Such tap or service connection can be made if the developer pays for same but fifty (50) feet of main will not be allowed.

All cost of the extension will be the responsibility of the developer and no refunds will be made beyond the allowances made at the beginning of the development.

The Water District will provide the developer an at cost price quote for the installation of the extension if so desired.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

A contract for real estate subdivision or development is attached hereto.

JUL 09 1997

DATE OF ISSUE

ISSUED BY C.D. Sensabaugh
Name of Officer

DATE EFFECTIVE

TITLE PURSUANT TO 807 KAR 5:011,
Chairman
SECTION 9(1)

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____

BY: Stephen D. Beif
SECRETARY OF THE COMMISSION
Dated 11-11-97

Form for filing Rate Schedules

FOR Southern Laurel County & West Knox County
Community, Town or City

Laurel Co. Water District #2
Name of Issuing Corporation

P.S.C. NO. _____
5th revision SHEET NO. 15
CANCELING P.S.C. NO. _____
SHEET NO. _____

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE
PER UNIT

27. Complaints

Complaints may be made to the operator of the system whose decision may be appealed to the Water District's Commissioners. Such appeal shall be in writing, in person or by telephone within ten (10) days of date of decision by operator, stating the nature of the complaint and support evidence. Decisions of the Water District's Commissioners or operator may be brought before the Public Service Commission in accordance with 807 KAR 5:001, Section 11 and 12.

28. Sale of Water

Water furnished by the Water District may be used for domestic consumption by the customer's household or business, subject to special service agreements. The customer shall not sell, donate, give or allow use of such water to any authorized or unauthorized party.

29. Special Charges

Special charges may be assessed to the customer for returned check, meter rereads, and meter tests at the specified charges shown below:

- A. A charge of \$15.00 will be made for each check returned to the Water District by the bank.
- B. A charge of \$10.00 will be made to reread a meter at the customers request unless such reread reveals that the initial reading was erroneous. No charge shall be made if the initial reading was erroneous.
- C. A charge of \$15.00 will be made for a meter test when such test is made at the customer's request unless the meter is found to be faulty. No charge shall be made for a faulty meter, but appropriate adjustments shall be made in accordance with Section 14 of these Rules and Regulations.

30. Special User Agreements for Nonstandard Service

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

Each applicant for nonstandard service shall execute to the Water District an agreement for special service.

JUL 09 1997

DATE OF ISSUE
ISSUED BY C.D. Senaabaugh
Name of Officer

DATE EFFECTIVE
TITLE Chairman 807 KAR 5:011,
SECTION 9 (1)

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____

BY Stephan O. Bue
Dated 11-17-97 SECRETARY OF THE COMMISSION

Form for filing Rate Schedules

FOR Southern Laurel County & West Knox County
Community, Town or City

Laurel Co. Water District #2
Name of Issuing Corporation

P.S.C. NO. _____
5th revision SHEET NO. 16
CANCELING P.S.C. NO. _____
SHEET NO. _____

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

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PER UNIT

SCHEDULE OF SPECIAL CHARGES

The following charges for special services shall be made:

- A. Service Reconnection Charge. A charge of \$20.00 shall be made for all service reconnections made during regular working hours and a \$30.00 charge for reconnections requested and made during overtime hours and Holidays, except that there shall be no connection charges made for service on the original installation of facilities.
- B. Additional Trip Charge. A charge of \$10.00 shall be made for a trip to recheck a meter reading when the customer requests the meter to be rechecks for a correct reading and the meter was not misread, incorrect address given, to collect a bill, reinspection, etc.
- C. Meter Test. Upon request and payment of \$15.00 a customer may have his meter tested provided request by the customer is not more frequent than once each twelve months. If such test shows the meter to be more than two percent (2%) fast, a refund of the R15.00 charge shall be made and the bill adjusted accordingly. If the periodic testing requirement of 807 KAR 5:066 (17) has not been met for the meter tested, no charge will be made for the test regardless of the results of the test.
- D. PSC Meter Test Complaint. Any customer of the Water District may request a meter test by written application to the Kentucky Public Service Commission.
- E. Late Payment Penalty. A 10% penalty will be assessed to all bills not paid by the due date.
- F. Contribution in Aid of Construction. The established contribution fee is based on the size of the installed metering equipment as noted below:

5/8" x 3/4" meter - \$300.00

1" and larger meters - Actual Cost of Installation

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

DATE OF ISSUE

ISSUED BY C. O. Sensesbaugh
Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____

DATE EFFECTIVE JUL 09 1997
TITLE Chairman

PURSUANT TO 807 KAR 5:011,
SECTION 9 (1)
BY Stephen O. Bell
Dated 11-11-97
SECRETARY OF THE COMMISSION

Form for filing Rate Schedules

FOR Southern Laurel County & West Knox County
Community, Town or City

Laurel Co. Water District #2
Name of Issuing Corporation

P.S.C. NO. _____
5th revision SHEET NO. 17
CANCELING P.S.C. NO. _____
SHEET NO. _____

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE
PER UNIT

31. Partial Payment Plan

The Laurel County Water District #2 will negotiate and accept, for good cause shown, reasonable partial payment plans at the request of residential customers who have received a termination notice for failure to pay. The Water District is not required to negotiate a partial payment plan with a customer who is delinquent under a previous partial payment plan.

Partial payment plans will be in writing and service may be terminated without additional notice if the customer fails to meet the obligations of the plan.

A copy of the payment plan will be furnished to the customer.

32. Fire Protection

The Water District does not provide water specifically for fire protection but in providing the hydraulics for a sufficient flow of water for consumption the flows do become sufficient to satisfy certain fire flow demands. The Water District does allow agencies to certify the flows and hydrants for the benefit of possible prevention of loss of life or property for our customers. The Water District declares that these agencies assume the full responsibility for such certification.

A person, persons or agency making a statement or evaluation of any part of the Water Districts system as to its rated capacity, performance or description for benefit or personal gain assumes the full responsibility for same.

The Water District does not recognize a hydrant as anything other than a test port and / or flush hydrant regardless of the interchanging descriptions, although the water does recognize the fact that a hydrant is being used in other capacities by different agencies.

The Water District reserves the right to charge a nominal fee for the flows our system generates if they are being used for fire protection without making a statement as to flow or duration.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

DATE OF ISSUE

ISSUED BY

C. D. Serrabaglio
Name of Officer

DATE EFFECTIVE

TITLE

Chairman

PURSUANT TO 607 KAR 5.011,
SECTION 9 (1)

Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____

Dated

BY: Stephan Bui
11-11-97
SECRETARY OF THE COMMISSION

Laurel Co. Water District #2
Name of Issuing Corporation

P.S.C. NO. _____

5th revision SHEET NO. 18

CANCELING P.S.C. NO. _____

SHEET NO. _____

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE
PER UNIT

Potable water for human consumption shall always take precedence in the intent of the Water District, and in the absence of danger of the welfare of our customers the flows created by the natural intent of the Water District should be advantageous in the protection of life and property.

No hydrant shall be installed unless it can be certified by a professional engineer to flow 250 gallons per minute.

33. Pressure

The Water District does not provide pressure reducing valves at the water meter unless the pressure will exceed 150 psi. The customer is required to reduce the existing pressure to a level to best serve their needs or to a level of safety for the design of household plumbing.

The Water District will furnish a pressure of 30 psi to the water meter under normal conditions.

If a customer desires more than 30 psi they may install a pressurized system if all the necessary approvals are obtained with the Water District having the right of refusal if it has the potential to adversely affect the water system.

34. Monitoring of Customer Usage

At least once annually the Water District will monitor the usage of each customer according to the following procedure:

1. The customer's annual usage for the most recent 12 month period will be compared with the annual usage for the 12 months immediately preceding that period.
2. If the annual usage for the two periods are substantially the same or any difference is known to be attributed to unique circumstances, such as unusual weather conditions, common to all customer, no further review will be done.
3. If the annual usages differ by 20 percent or more and cannot be attributed to a readily identified common cause, the Water District will compare the customer's monthly usage records for the 12 month period with the monthly usage for the same months of the preceding year.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVEDATE OF ISSUE
ISSUED BY C. J. Sensesbaugh
Name of OfficerDATE EFFECTIVE
TITLE Chairman 09 1997Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)
Dated 11-11-99
BY: Stephen O. Bell

Form for filing Rate Schedules

FOR Southern Laurel County & West Knox County
Community, Town or City

P.S.C. NO. _____

5th revision SHEET NO. 19

CANCELING P.S.C. NO. _____

SHEET NO. _____

Laurel Co. Water District #2

Name of Issuing Corporation

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE

PER UNIT

4. If the cause for the usage deviation cannot be determined from analysis of the customer's meter reading and billing records, the Water District will contact the customer by telephone or in writing to determine whether there have been changes such as different appliances, changes in business volume, or known leaks in the customer's service line.
5. Where the deviation is not otherwise explained, the Water District will test the customer's meter to determine whether it shows an average error greater than 2 percent (2%) fast or slow.
6. The Water District will notify the customer of the investigation, its findings, and any refunds or backbilling in accordance with 807 KAR 5:006 Section 10 (4) and (5).

In addition to the annual monitoring, the Water District will immediately investigate usage deviations brought to its attention as a result of its on-going meter reading or billing processes or customer inquiry.

35. Equal Deposits

All customer will pay equal deposits in the amount of \$30.00 (Residential) and \$60.00 (Commercial). This amount is equal to 2/12 of the average annual bill.

36. Interest on Deposits

The deposit will be placed in an interest bearing account by the Water District labeled Meter Deposits and the Water District will pay interest to the customers according to the rate of interest accrued on the account.

37. Leak Adjustment

The Water District provides a one time leak adjustment for its customers. This adjustment allows a customer to choose a worst case adjustment.

A Customer who has met the permit requirements for installation and maintenance of their water system and has an unusually high water bill due to a leak can option at their discretion to use their one time leak adjustment. A recurring leak will be the full responsibility of the customer.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVEDATE OF ISSUE 11

ISSUED BY

Name of Officer

Issued by authority of an Order of the Public Service Commission of Kentucky in

Case No. _____

DATE EFFECTIVE

TITLE

Chairman TO 807 KAR 5:011.

SECTION 9 (1)

BY: Stephen D. Bue

Dated

SECRETARY OF THE COMMISSION

Form for filing Rate Schedules

FOR Southern Laurel County & West Knox County
Community, Town or CityLaurel Co. Water District #2
Name of Issuing CorporationP.S.C. NO. _____
5th revision SHEET NO. 20
CANCELING P.S.C. NO. _____
SHEET NO. _____

CLASSIFICATION OF SERVICE

RULES AND REGULATIONS

RATE
PER UNIT

The Water District will not allow the absence of responsible behavior on the part of a customer to be adjusted. For example, allowing a known leakage to continue for an extended time period and then requesting a leak adjustment.

The adjustment is calculated by the cost of water over the amount of the average bill to be equally shared by the customer and the Water District.

The customer shall be responsible for the proper documentation of the circumstances surrounding the need for a leak adjustment to assist in the prevention of recurring leaks.

38. Customer Communications

The Water District utilizes telephone communication to notify its customers of scheduled interruptions of service. Each customer shall be responsible to provide the Water District with a phone number that can be used for notification. If a customer does not want to release their number to the Water District they will assume the responsibility of any inconveniences or damage done due to the lack of communications.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 09 1997

DATE OF ISSUE

ISSUED BY C. D. Sensabaugh
Name of Officer

DATE EFFECTIVE

TITLE Chairman CONFORMANT TO 807 KAR 5.011,
SECTION 9 (1)Issued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____BY: Stephan D. Bee
Dated 11-11-97 SECRETARY OF THE COMMISSION

AGREEMENT FOR SUBDIVISION SERVICE OR REAL ESTATE DEVELOPMENT

This agreement dated _____, between _____,
_____, herein called "Developer", and _____,
_____ herein called "Water District";

WITNESSETH:

WHEREAS, the Water District has undertaken to establish and operate a central water system for domestic, livestock, lawn, garden and other uses.

WHEREAS, the Developer has undertaken to establish a subdivision or real estate development for the sale of homes, and homesites within the Water District's service area and desires that water service be provided to such subdivision or real estate development.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and conditions hereinafter set out, it is agreed between the Water District and Developer as follows:

1. Developer agrees to:

- A. Take the necessary action to have the subdivision plat approved by the appropriate County, City, Planning or Zoning Board. A copy of the plat showing such approval is attached hereto.
- B. Obtain the approval of the Kentucky Department of Public Health of the subdivision plat showing the location and size of the proposed pipelines and appurtenances.
- C. Install the pipelines and appurtenances in accordance with specifications of the Water District's existing or planned system and provide for a one-year guaranty by the contractor.
- D. Pay all costs of material and installation of the proposed lines including any lines and appurtenances outside the subdivision, which may be needed to tie into the existing Water District water lines. This includes paralleling or replacing Water District lines in order to tie into a main line of sufficient size to provide an adequate amount of water within the subdivision.
- E. Make provisions for payment of tap fees to the Water District, i.e., if lots are sold with a water tap, the Developer will pay the tap fee to the Water District. If lots are sold without water taps, the purchasers must clearly understand that they must pay the Water District the required tap fee and meter deposit in order to receive water service for a particular lot.
- F. Convey to the Water District free and unencumbered title to the pipeline distribution system and appurtenances, installed by the Developer after the system is installed, tested, and acceptable to the Water District.

PURSUANT TO 807 KAR 5011,
SECTION 9 (1)

BY: Stephan O. Bell
SECRETARY OF THE COMMISSION

1111 09 1997

Water District agrees to:

- A. Permit one tap for each lot reached by the said pipeline distribution system within the subdivision and render water service to the lot owners in accordance with the regular schedule of rates for customers of the Water District.
- B. Install one tap and meter for each water subscription contract purchased within a reasonable time after payment of the required fees for said water tap.
- c. Provide water service, after the system is accepted by the Water District and title vested to the Water District, in accordance with the Water District's ByLaws, Rules and Regulations and Policies. This includes all items of operation and maintenance of the system.

Developer

Water District, Title

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

Water District, Title

JUL 09 1997

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)

BY: Stephan D. Bell
SECRETARY OF THE COMMISSION

Water District, Title

P.S.C. NO. _____

5th revision SHEET NO. 22

CANCELING P.S.C. NO. _____

SHEET NO. _____

Laurel Co. Water District #2

Name of Issuing Corporation

CLASSIFICATION OF SERVICERULES AND REGULATIONS

RATE

PER UNIT

Amended Water Rate Resolution adopted by the Commission of said District at a meeting held on July 8, 1997 and files as P.W.A.

A. Minimum Water Rates Based on Size of Connection

<u>Size of Meter</u> <u>Meter</u> <u>Connection</u>	<u>Number of Gallons or Less</u> <u>of water per month to be</u> <u>Provided for the Minimum Rate</u>	<u>Monthly Minimum</u> <u>Water Rate</u> <u>Per Connection</u>
5/8 x 3/4 Inch	1,000 gallons	\$ 6.20
1 Inch	5,000 gallons	16.60
1 1/2 Inch	10,000 gallons	28.60
2 Inch	20,000 gallons	50.60
3 Inch	30,000 gallons	72.60
4 Inch	50,000 gallons	116.60
6 Inch	100,000 gallons	226.60

B. Meter Rates for Water Usage in Addition to Minimum Charge

Subject to the minimum monthly water rates specified above the following metered charges shall be made for each 1,000 gallons of water.

Number of Gallons
of Water Per Month

First 1,000 Gallons
 Next 4,000 Gallons
 Next 5,000 Gallons
 Over 10,000 Gallons

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

JUL 09 1997

PURSUANT TO 807 KAR 5.011,
SECTION 9 (1)BY: Stephan D. Bell
SECRETARY OF THE COMMISSIONMonthly Charge Per
1,000 Gallons Per Month

\$6.20 Minimum Bill
 \$2.60 per 1,000 Gallons
 \$2.40 per 1,000 Gallons
 \$2.20 per 1,000 Gallons

DATE OF ISSUE

ISSUED BY O. J. Sensabaugh
Name of Officer

DATE EFFECTIVE _____

TITLE ChairmanIssued by authority of an Order of the Public Service Commission of Kentucky in
Case No. _____Dated 11-11-97

FOR Southern Laurel County
Community, Town or City
P.S.C. NO.

LAUREL County Water District #2
Name of Issuing Corporation

CANCELLING SHEET NO. _____
P.S.C. NO. _____
SHEET NO. _____

CLASSIFICATION OF SERVICE

BILL FORMAT

	RATE	PER UNIT
100	100	100
90	90	90
80	80	80
70	70	70
60	60	60
50	50	50
40	40	40
30	30	30
20	20	20
10	10	10
0	0	0

**THIS BILL IS NOW DUE AND PAYABLE.
PAY IN PERSON OR MAKE CHECKS
PAYABLE TO:**

LAUREL WATER DISTRICT #2
3910 S. LAUREL RD.
LONDON, KY 40741

LAUREL WATER DISTRICT #2
3910 S. LAUREL RD.
LONDON, KY 40741

OFFICE HOURS
8 AM TO 4:30 PM
MONDAY THRU FRIDAY

OFFICE HOURS 8 A.M. TO 4:30 P.M.
MONDAY THRU FRIDAY
OFFICE PHONES: (606) 878-2494
 (606) 523-5579
EMERGENCY: (606) 878-2448

RATES

FIRST 1,000 GALLONS	\$5.50 (MINIMUM BILL)
NEXT 4,000 GALLONS	\$2.20 PER 1000 GAL.
NEXT 5,000 GALLONS	\$1.95 PER 1000 GAL.
OVER 10,000 GALLONS	\$1.75 PER 1000 GAL.

A LATE CHARGE WILL BE ADDED TO ALL BILLS PAID AFTER 15TH OF THE MONTH.

**A LATE CHARGE WILL BE ADDED TO ALL
BILLS PAID AFTER 15TH OF THE MONTH.**

LAUREL WATER DISTRICT #2
3910 S. LAUREL RD. LONDON, KY 40741

LAUREL WATER DISTRICT #2
3910 S. LAUREL RD.
LONDON, KY 40741

**PRESORTED
FIRST-CLASS MAIL
U.S. POSTAGE PAID
LONDON, KY 40741
PERMIT NO. 15**

ADDRESS CORRECTION REQUESTED

[illegible]

PLEASE BRING ENTIRE BILL TO OFFICE OR MAIL STUB WITH PAYMENT

WATER BILL

MAIL TO

ACCOUNT		DUE DATE
AMOUNT DUE ON OR BEFORE DUE DATE	SAVE THIS	AMOUNT DUE AFTER DUE DATE
		PUBLIC SERVICE

**PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE**

DATE OF ISSUE 9-13-93
ISSUED BY James D. Sweeney
Name of Officer

DATE EFFECTIVE 9-13-93
TITLE Manager OCT 14 1993

Issued by authority of an Order of the Public Service Commission
 Kentucky PURSUANT TO CHAPTER 6011
 in Case No. _____ dated _____ SECTION 9 (1)

BY: George Heller
PUBLIC SERVICE COMMISSION MANAGER

WATER SHORTAGE RESPONSE PLAN

Laurel County Water District #2

Section 1. Purpose - The purpose of this Plan is to provide for the declaration of official phases of water supply shortages and the implementation of voluntary and mandatory water conservation measures throughout the Laurel County Water District #2 in the event a shortage is declared.

Section 2. Definitions - These terms are applicable only for this Plan unless specifically noted.

(a) "Customer" shall mean any person or entity using water for any purpose from the Laurel Water District #2 water distribution system and for which either a regular charge is made or, in the case of bulk sales, a cash charge is made at the site of delivery.

(b) "Raw Water Supplies" shall mean all water potentially available to persons in the Laurel Water District #2.

(c) "Treated Water" shall mean water that has been introduced by the Laurel Water District into its water distribution system, including water offered for sale. Uses of treated water are classified as follows:

Essential Water Uses (Class 1):

The following uses of water, listed by site use type, are essential.

Domestic:

- water necessary to sustain human life and the life of domestic pets, and to maintain minimum standards of sanitation.

Health Care Facilities:

- patient care and rehabilitation, including related filling and operation of swimming pools.

Water Hauling:

- sales of domestic use where not reasonably available elsewhere.

Public Use:

- firefighting,

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

SEP 02 1988

PURSUANT TO KAR 5:011,
SECTION 9(1),
BY: *[Signature]*
PUBLIC SERVICE COMMISSION MANAGER

- health and public protection purposes, if specifically approved by health officials.

Socially or Economically Important Uses (Class 2):

The following uses of water, listed by site or user type, are socially or economically important.

Domestic:

- personal, in-house water use including kitchen, bathroom and laundry.

Water Hauling:

- non-domestic, when other sources are not reasonably available elsewhere.

Commercial and Civic Use:

- commercial car and truck washes,
- laundromats
- restaurants, clubs and eating places
- schools, churches, motels/hotels and similar commercial establishments.

Outdoor Non-Commercial Watering:

- minimal watering of vegetable gardens,
- minimal watering of trees where necessary to preserve them.

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Outdoor Commercial or Public Watering (Pursuant to 807 KAR 5:011, methods and when other sources of water are not available or feasible to use):

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- agricultural irrigation for the production of food and fiber or the maintenance of livestock,
- watering by arboretums and public gardens of national, state, regional or community significance where necessary to preserve specimens,
- watering by commercial nurseries at a minimum level necessary to maintain stock,
- watering at a minimum rate necessary to establish or maintain revegetation or landscape plantings required pursuant to law or regulation,

- watering of woody plants where necessary to preserve them,
- minimal watering of golf course greens.

Recreational:

- operation of municipal swimming pools and residential pools that serve more than 25 dwelling units.

Air Conditioning:

- refilling for startup at the beginning of the cooling season,
- makeup of water during the cooling season,
- refilling specifically approved by health officials where the system has been drained for health protection or repair services.

Non-Essential Uses (Class 3):

Any waste of water, as defined herein, is non-essential. The following uses of water, listed by site or user type, are non-essential.

Public Use:

- use of fire hydrants (excluding Class 1 and Class 2 uses), including use of sprinkler caps, testing fire apparatus and fire department drills,
- flushing of sewers and hydrants except as necessary to ensure public health and safety as approved by health officials.

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Commercial and Civic Use:

- serving water in restaurants, clubs, and other public places, except by customer request,
- failure to repair a controllable leak,
- increasing water levels in scenic and recreational ponds and lakes, except for the minimum amount required to support fish and wildlife.

PURSUANT TO KRS 207.011,
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Ornamental Purposes:

- fountains, reflecting pools and artificial waterfalls.

Outdoor Non-Commercial Watering:

- use of water for dirt control or compaction,
- watering of annual or non-woody plants, lawns, parks, golf course fairways, playing fields and other recreational areas,
- washing sidewalks, walkways, driveways, parking lots, tennis courts or other hard-surface areas,
- washing down buildings or structures for purposes other than immediate fire protection,
- flushing gutters or permitting water to run or accumulate in any gutter or street.

Outdoor Commercial or Public Watering:

- expanding nursery facilities, placing new irrigated agricultural land in production, or planting of landscaping except when required by a site design review process,
- use of water for dirt control or compaction,
- watering of lawns, parks, golf course fairways, playing fields and other recreational areas,
- washing sidewalks, walkways, driveways, parking lots, tennis courts or other hard-surface areas,
- washing down buildings or structures for purposes other than immediate fire protection,
- flushing gutters or permitting water to run or accumulate in any gutter or street.

Recreational uses other than those specified in Class 2.

Non-commercial washing of motor and other vehicles.

Air Conditioning (see also Class 2 purposes).

- refilling cooling towers after drain

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(d) "Base Entitlement" shall mean the monthly usage of a customer during the same month of the preceding year, unless that month involved a leak or a stopped meter. In either case an average for that month would be determined or the average per customer usage for each class of service during the same month of the preceding year would be used.

(e) "Curtailed Entitlement" shall mean the monthly usage for a customer after any curtailment percentage has been applied.

(f) "Curtailment" shall mean the reduction in entitlement by some percentage to meet anticipated water shortages.

(g) Water Shortage Response Phases:

"Advisory" shall mean that conditions exist which indicate the potential for serious raw or treated water supply shortages.

"Alert" shall mean the raw or treated water supplies are consistently below seasonal averages, and if they continue to decline, may not be adequate to meet normal needs.

"Emergency" shall mean that raw or treated water supplies are below the level necessary to meet normal needs and that serious shortages exist in the area.

(h) "Rationing" shall mean that procedures must be established to provide for the equitable distribution of critically-limited raw or treated water supplies, in order to balance demand and limited available supplies, and to assure that sufficient water is available to preserve public health and safety.

Section 3. Applicability. The provisions of this Plan shall apply to all retail and wholesale customers of the Laurel Water District #2. When implemented, this plan becomes Laurel Water District's Water Shortage Response Regulation.

Section 4. Entitlements. Entitlements shall be established for each customer by adjusting the base entitlement to reflect any known change in usage pattern.

Section 5. Determination of Water Shortage. Water supply and usage shall be monitored on a continuous basis. Unrestricted demand shall be projected from past records and projected changes such as new developments and weather on a regular basis. Water shortages generally occur for several reasons, a reduction in available supplies or a system failure. Each of these has a distinct influence on the nature and scope of the conservation program implemented. Official declaration of a water shortage stage and implementation of the response necessary to curtail water use shall be approved by the Commissioners.
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Section 6. Term of Water Shortage Declaration. A water shortage declaration shall remain in effect until water supplies of service conditions have returned to normal. A final determination as to terminating a water shortage declaration shall be made by the Commissioners of Laurel Water District #2.
BY [Signature] PUBLIC SERVICE COMMISSION MANAGER

Section 7. Water Shortage Stage, Criteria, Conservation and Curtailment Measures.

A. Advisory Stage:

(1) Criteria: A water advisory shall be declared when the amount of treated water or raw water available for treatment is projected to be up to 10% below demand, or there are periods of low water pressure in one or more areas of the distribution system due to system failure or inadequacies or the State Division of Water issues a Water Shortage Watch which includes the areas from which the Laurel Water District #2 draws water.

(2) Conservation and Curtailment Measures:

- (a) Declare a Water Shortage Advisory.
- (b) Provide proper notice to all customers and to all local news media.
- (c) Eliminate all water leaks.
- (d) Request voluntary conservation of all non-essential (Class 3) water use.

B. Alert Stage:

(1) Criteria: A water alert shall be declared when the amount of treated water available is projected to be up to 20% below demand, or raw water supplies are consistently below seasonal averages and the reservoir has a projected supply of less than 45 days but more than 21 days under current conditions and if they continue to decline, may not be adequate to meet normal needs.

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(2) Conservation and Curtailment Measures:

(a) Declare Water Shortage Alert.

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(b) Provide proper notice to all customers
news media.

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(c) Eliminate all water leaks.

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(d) Prohibit all non-essential (Class 3) water uses.

(e) Curtail entitlements to all customers by the same percentage as the projected shortage.

(f) Begin billing all customer water usage in excess of curtailed entitlement at the normal rate plus an excess usage charge of \$5.50 per 1,000 gallons.

C. Emergency Stage:

1. Criteria: A Water Emergency shall be declared when the amount of treated water available is projected to be up to 40% below demand, or there are periods of no water in one or more areas of the distribution system due to low water supply or raw water supplies below the level necessary to meet normal needs. The raw water supply under current conditions is less than 21 days but more than 14 days.

2. Conservation and Curtailment Measures:

- (a) Declare Water Shortage Emergency.
- (b) Provide proper notice to all customers and to all local news media.
- (c) Eliminate all water leaks.
- (d) Prohibit all Class 3 uses of water.
- (e) Prohibit all Class 2 uses of water except Domestic uses for kitchens, bathrooms and laundries.
- (f) Curtail all commercial and industrial entitlements (except Health Care Facilities) by 100%.
- (g) Curtail Residential entitlements by the same percentage as the projected shortage.
- (h) Curtail entitlements to all wholesale customers by the same percentage as the projected shortage.
- (i) Begin billing all customer water usage in excess of curtailed entitlement at the normal rate plus an excess usage charge of \$11.00 per 1,000 gallons.

D. Rationing Stage:

(1) Criteria: Treated water available is greater than 40% below demand or raw water supplies are below the level necessary to meet essential needs, and in the opinion of Laurel County W.D. #2, mandatory rationing is required to conserve water is available to maintain public health and safety.

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2. Conservation and Curtailment Measures:

- (a) Declare Water Shortage Rationing.
- (b) Provide proper notice to all customers and to all local news media.

- (c) Eliminate all water leaks.
- (d) Prohibit all Class 3 and Class 2 uses of water.
- (e) Curtail all commercial and industrial entitlement (except Health Care Facilities) by 100%.
- (f) Curtail all residential and wholesale entitlements by the same percentage as the projected shortage.
- (g) Implement service interruptions to portions of system in accordance with approved published schedule. The schedule shall be provided to all local media.
- (h) Begin billing customer water usage in excess of curtailment entitlement at the normal rate plus an excess usage charge of \$22.00 per 1,000 gallons.

Section 8. Enforcement of Water Restriction. Any person who violates the provisions of this Plan, who fails to carry out the duties and responsibilities imposed by this Plan, or who impedes or interferes with any action undertaken or ordered pursuant to this Plan shall be subject to the following:

- (a) If the utility official charged with implementation and enforcement of this Plan learns of any violation of any water use restriction imposed, a written notice of the violation shall be affixed to the property where the violation occurred and mailed to the customer of record. Said notice shall describe the violation and order that it be corrected, cured, or abated immediately or within 48 hours.

- (b) The notice will inform the customer of his or her right to appeal by requesting a hearing before the utility's designee. If a hearing is requested by the customer, he or she shall be given full opportunity to be heard before termination. The governing body shall make findings **PUBLIC SERVICE COMMISSION** whether service should continue or terminate.

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- (c) Any customer whose water service is terminated for violating provisions of this water curtailment shall be subject to the approved reconnection fee prior to reconnection of service.

PURSUANT TO 307 KAR 5.011,

SECTION 9 (d)

- (d) The excess usage charge billing provisions of this Plan shall not be put in effect if a county public utility **PUBLIC SERVICE COMMISSION MANAGER** is in effect to assist enforcement of this Plan.

Section 9. Request for Exception.

- (a) Exception to water use restrictions: If compliance with any curtailment measure authorized herein would cause a customer

to bear extraordinary hardship, that individual or entity may apply to the Laurel Water District #2 for an exception. For these purposes, "extraordinary hardship" shall be defined as a condition which may threaten health and safety, or cause property or economic losses, each of which must be shown to be substantially more severe than the sacrifices borne by other users. If extraordinary hardship is found to exist, then an exception shall be granted and a written waiver issued to the customer. If an appeal is made, water service shall be continued until a decision is announced. Any person aggrieved by this plan may file a complaint with the Public Service Commission.

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(b) Exception to curtailment surcharge: Exceptions to excess use charges shall not be considered or made.

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Section 10. Severability. If any part of this plan is declared invalid by the courts, the remainder of this plan and its applicability to other persons and circumstances shall not be affected by that declaration.

PURSUANT TO 807 KAR 5.011,
SECTION 9(1),
BY: [Signature]
PUBLIC SERVICE COMMISSION MANAGER

Section 11. Effective Date. This Plan shall take effect immediately upon approval by the Public Service Commission.